

Message Text

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ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

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E.O. 11652: N/A

TAGS: EFIN, EGEN, SP

SUBJECT: KEY SPANISH ECONOMIC STATISTICS

REF: MADRID 5035

1. (BEGIN LIMITED OFFICIAL USE) MOST RECENT DATA SHOW SPAIN'S ECONOMY SPUTTERING ALONG WITH AT BEST, A MODEST IMPROVEMENT OVER POOR PERFORMANCE REGISTERED IN 1975. COST OF LIVING WHICH HAD RISEN 4.58 PERCENT IN MAY SHOWED DECLINE OF 0.62 PERCENT IN JUNE (SEE MADRID 5628).

2. TRADE OFFICIALS ARE PARTICULARLY TROUBLED BY RECENT FIGURES, ALTHOUGH TRADE DEFICIT FOR THE FIRST SIX MONTHS IS DOWN \$348 MILLION, OR 7.3 PERCENT, FROM 1975. IN DOLLAR TERMS JUNE EXPORTS WERE 10.8 PERCENT ABOVE JUNE 1975 BUT WERE DOWN 14.8 PERCENT IN MAY AND 11.9 PERCENT IN APRIL AFTER RECORDING INCREASES IN EACH OF FIRST THREE MONTHS. IMPORTS ROSE 1.2 PERCENT IN JUNE OVER JUNE 1975 AND 7.9 PERCENT IN MAY. THE CONCERN HERE IS THAT DESPITE IMPROVEMENT IN EXPORTS IN JUNE, THERE IS NOW AN APPARENT TREND TOWARD A WORSENING OF TRADE DEFICIT. MINISTRY OF COMMERCE IS NOW TENTATIVELY FORECASTING A CURRENT ACCOUNT DEFICIT ON THE ORDER

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OF LAST YEAR'S \$3.5 BILLION MONSTER RATHER THAN THE \$3

BILLION ORIGINALLY ESTIMATED. IT IS SO FAR DIFFICULT TO
 SEE ANY SUSTAINED TRADE BENEFITS RESULTING FROM FACT THAT
 PESDWNDY#
 FIGURES. TOGETHER WITH UNINSPIRED
 PERFORMANCE OF INDUSTRIAL PRODUCTION INDEX THEY CONTINUE
 TO PUT IN DOUBT ANY GOST HOPES FOR SUBSTANTIAL REAL GROWTH
 FOR 1976, OFFICIALLY PREDICTED EARLIER THIS YEAR AT 3 TO 4
 PERCENT. AT THIS POINT GOS WOULD PROBABLY SETTLE HAPPILY
 FOR 2.5 PERCENT. (END LIMITED OFFICIAL USE)

(BEGIN UNCLASSIFIED)

YEAR	PERCENT		
	END OR	MOST	CHANGE
	ENTIRE	RECENT	1976 COMPARED
	YEAR	MONTH	W/SAME PERIOD
1975	1976	1975	

COST OF LIVING INDEX

(1968-100) (PROV.) (6/76) 202.3 224.6 19.0

INDUS. PRODUCTION (INDEX)

TREND (1962-100) (4/76) 338 341.5 4.5

IMPORTS(THROUGH 6/30/76)A) 16,266.1 8,488.7 -2.3

EXPORTS(THROUGH 6/30/76)A) 7,691.0 4,104.0 3.8

BALANCE OF TRADE DEFICIT

(6/30/76) 8,575.1 4,384.7 -7.3

FOREIGN EXCHANGE RESERVES

(6/30/76)(PROV.) A) B) 5,861.6 5,044.9 - -12.5

NUMBER OF TOURISTS

(JAN-MAY 1976) (PROV.) 30,122.5 7,561.9 2.5

TOURISM REVENUES A)

(JAN-MARCH 1976) 3,404 580.6 -1.5

NET TRANSFERS A)

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(JAN-MARCH 1976) 1,076.8 351.4 15.4

UNEMPLOYMENT (TREND)

(5/76 (THOUS.) C) 375.9 445.4 52.0

MONEY SUPPLY (4/76) D) 1,816.8 1,949.2 23.0

A) IN MILLIONS OF DOLLARS

B) IN JUNE 1976 RESERVES DECLINED \$91.6 MILLION; IN JUNE
1975 THEY INCREASED \$176.9 MILLION. IN THE FIRST SIX
MONTHS OF 1976 THEY DECLINED \$817 MILLION.

C) ACCORDING TO MINISTRY OF LABOR ACTUAL NUMBER UNEMPLOYED
AS OF MAY 1976 WAS 439,915; FIGURES OF NATIONAL INSTITUTE
OF STATISTICS SHOW 729,700 (5.48 PERCENT OF WORK FORCE)
WERE UNEMPLOYED AS OF THE END OF JUNE.

D) CASH AND DEMAND DEPOSITS IN BILLIONS OF PESETAS SEASONALLY
ADJUSTED.
STABLER

NOTE BY OC/T: #AS RECEIVED.

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